Manitoba Housing
Landlord and Tenant Affairs

302 — 254 Edmonton St.
Winnipeg, Manitoba
R3C 3Y4

MG-12290

REPORT ON THE ADMINISTRATION

OF THE

RENT REGULATION PROGRAM

FOR THE FISCAL YEAR ENDED

MARCH 31, 1990

91-01454/

Minister of
Housing

Room 317
Legislative Building
Winnipeg, Manitoba, CANADA
R3C 0V8

(204) 945-0073

October, 1990

The Honourable George Johnson
Lieutenant Governor of Manitoba

May It Please Your Honour:

In accordance with Section 15 of The Residential Rent Regulation Act I am pleased to submit the report on the administration of the Rent Regulation Program for the fiscal year ended March 31, 1990, for the information of Your Honour.

Respectfully submitted,

Honourable Gerald Ducharme
Minister of Housing

TABLE OF CONTENTS

	PAGE
RENT REGULATION BUREAU	
ACTIVITIES EXTENDING ACROSS FISCAL YEARS	3
ACTIVITY SUMMARY	6
THE MANITOBA RESIDENTIAL RENTAL HOUSING MARKET	10
- WINNIPEG	14
- WINNIPEG DISTRICTS	18
- BRANDON	21
- RURAL AREAS	24
- SYNOPSIS	27
RENT APPEALS BRANCH	
ACTIVITY SUMMARY	31
APPEALS	35

RENT REGULATION BUREAU

LANDLORD AND TENANT AFFAIRS BRANCH
RENT REGULATION BUREAU

The Landlord and Tenant Affairs Branch of Manitoba Housing consists of two offices: The Office of the Rentalsman and the Rent Regulation Bureau.

The Rent Regulation Bureau is charged with the administration of the Residential Rent Regulation Act. The Act, together with the corresponding Regulations, specifies:

- the annual rent increase guideline for premises under its jurisdiction;
- the type and class of buildings excluded from the legislation;
- the rights and obligations of landlords and tenants under the legislation; and
- the various procedures to be followed in the administration of the Act.

The Rent Regulation Bureau's main areas of activity consist of:

- reviewing and processing landlord applications for rent increases above the guideline;
- reviewing and processing tenants' objections to any rent increases whether below, at, or above guideline;
- recommending allowable rent increases based on landlords' applications and tenants' objections;
- investigating non-compliance with the legislation; and
- taking action for non-compliance, where applicable.

A perhaps less formalized but equally important function of the Bureau is the ongoing monitoring and evaluation of applicable economic indicators and developments which may have the potential to affect conditions in the rental housing market. Contacts with the relevant agencies of other levels of government and the housing industry provide the Bureau with the opportunity to examine, in advance, proposed new and changing programs, legislation or policy directions emanating from these agencies. While activities of this nature are not always easily quantified, they are, nevertheless, an important aspect of the Bureau's ongoing attempt to maintain as equitable a rent regulation program as possible.

ACTIVITIES EXTENDING ACROSS FISCAL YEARS

For the purpose of reporting to the Legislature under the Residential Rent Regulation Act, the rental year coincides with the calendar year.

The annually determined guideline amount, which establishes the threshold above which rent increases must be reviewed and approved by the Rent Regulation Bureau, is set on a calendar year basis. Consequently, the effective date of the rent increase determines the year under which the increase will be recorded and reported by the Bureau.

The Residential Rent Regulation Act requires that a report on the administration of the Act be prepared on a fiscal year basis. As a result, activities of the Bureau during any given fiscal year include rent increases, and other related issues, pertaining to three different calendar years. For instance, the 1989/90 fiscal year includes unresolved 1988 issues, most of the 1989 cases, and a substantial number of applications for 1990 rent increases. The statistical tables in this report identify the year in the heading whenever the particular data pertain to a specific calendar year only. As such, Tables 1 and 2 are simply statistical summaries for activities relating to rent increases that came into effect during the 1989 and 1990 calendar years respectively. Consequently, the figures within these tables identifying the two fiscal years are not comparable. The same applies to the corresponding tables in the Rent Appeals section of the report.

TABLE 1

CALENDAR YEAR 1989

STATISTICAL SUMMARY FOR MANITOBA

APPLICATIONS BY LANDLORDS FOR RENT INCREASES ABOVE GUIDELINE	1988/89 FISCAL YEAR	1989/90 FISCAL YEAR
Carried forward from previous year	-	1,910
Received - Winnipeg	3,314	2,242
- Brandon	78	77
- Rural	96	391
TOTAL	3,488	4,620
Applications withdrawn	4	6
Determined	1,574	4,518
ACTIVE	1,910	96

OBJECTIONS BY TENANTS TO INCREASES LESS THAN OR EQUAL TO THE GUIDELINE		
Carried forward from previous year	-	23
Received - Winnipeg	30	79
- Brandon	8	3
- Rural	3	7
TOTAL	41	112
Objections withdrawn	6	34
Determined	12	55
ACTIVE	23	23

COMPLIANCE		
Received - Winnipeg	74	479
- Brandon	-	3
- Rural	7	114
TOTAL	81	596
Resolved	78	275
BALANCE	3	321
Referred to Rent Appeal Panel	3	321
ACTIVE	-	-

TABLE 2

CALENDAR YEAR 1990

STATISTICAL SUMMARY FOR MANITOBA

APPLICATIONS BY LANDLORDS FOR RENT INCREASES ABOVE GUIDELINE	1988/89 FISCAL YEAR	1989/90 FISCAL YEAR
Carried forward from previous year	-	-
Received - Winnipeg	-	2,495
- Brandon	-	229
- Rural	-	100
TOTAL	-	2,824
Applications withdrawn	-	9
Determined	-	862
ACTIVE	-	1,953

OBJECTIONS BY TENANTS TO INCREASES LESS THAN OR EQUAL TO THE GUIDELINE		
Carried forward from previous year	-	-
Received - Winnipeg	-	36
- Brandon	-	10
- Rural	-	10
TOTAL	-	56
Objections withdrawn	-	8
Determined	-	20
ACTIVE	-	28

COMPLIANCE		
Received - Winnipeg	-	81
- Brandon	-	2
- Rural	-	6
TOTAL	-	89
Resolved	-	89
BALANCE	-	-
Referred to Rent Appeal Panel	-	-
ACTIVE	-	-

ACTIVITY SUMMARY

All statistics throughout this report are expressed in terms of the number of rental units affected (i.e. if all 24 units in an apartment building are under review, our statistics will reflect this with a count of 24).

Table 3 measures only the volume of activity of the Rent Regulation Bureau on a comparative basis for the fiscal years 1988/89 and 1989/90. The 1989/90 fiscal year saw a further decline from the previous year in the number of landlord applications for rent increases above the guideline that were processed by the Rent Regulation Bureau. Tenant objections to guideline or less increases levelled off to 121 units after they had risen to 139 units during the 1988/89 fiscal year.

The workload in investigating alleged improper rent increases has increased sharply to 685 cases in 1989/90 from 358 cases in 1988/89.

Appeals of rent increase recommendations issued by the Rent Regulation Bureau, as well as the processing of applications for temporary exemption from rent regulations due to major rehabilitation work, rests with the Rent Appeals Branch of Manitoba Housing. The declining number of Landlord Applications For Rent Increases precipitated a further reduction in appeals processed from 2,268 in 1988/89 to 1,422 in 1989/90.

The rehabilitation provisions of the Residential Rent Regulation Act provide for a two stage process. First, a landlord submits an application for rehabilitation of the premises and for approval to proceed with the project. Once the project is completed, the landlord applies for the previously determined exemption period to be ratified.

During the 1989/90 fiscal year, Appeal Panels heard presentations seeking approval to commence major rehabilitation projects on a total of 47 rental units. Considerably down from the 128 units applied for in 1988/89. Similarly reduced numbers were recorded for applications for temporary exemptions from Rent Regulations where the 1989/90 fiscal year processed 97 units versus 131 for the previous year.

TABLE 3

ACTIVITY SUMMARY

ACTIVITIES	PROCESSED DURING FISCAL YEAR 1988/89	1989/90
Landlord Applications For Rent Increases	6,260	5,422
Tenant Objections to Guideline or Less Increases	139	121
Compliance Cases	358	685
Appealed Recommendations	2,268	1,422
Applications for Rehabilitation	128	47
Applications for Exemption	131	97

TABLE 4

INCOMING FORMS

TYPE OF FORMS	RECEIVED IN FISCAL YEAR 1988/89	1989/90
Notices Of Increase In Rent	51,688	51,861
Notices To New Tenants	17,441	17,708
Tenant Objections To Guideline Or Less Increases	182	145
Tenant Objections To Above Guideline Increases	1,211	905
Applications For Rent Increases Above Guideline	6,122	5,533
Notices Of Appeal	2,263	1,541
Applications For Rehabilitation	99	29
Applications For Exemption	175	51

THE MANITOBA RESIDENTIAL RENTAL HOUSING MARKET

The total rental housing stock in Manitoba is in excess of 126,000 dwellings. About 100,000 of the dwellings are under the jurisdiction of the Residential Rent Regulation Act (controlled units); the remaining 26,000 units are exempt for various reasons as permitted by the Act and its Regulations. (i.e. less than five years old, approved rehabilitation projects, etc.). Approximately 60% of the Manitoba rental housing stock has rents registered with the Rent Regulation Bureau.

Tables 5 and 6 list the average rent levels for 1989 and 1990 on controlled as well as exempt units for some major Manitoba communities. The controlled sector consists of units where above guideline increases were allowed by the Bureau as well as units where landlords had restricted the increase to the guideline amount. The adjacent percentage figures express the average rent increase taken, in either 1989 or 1990, to reach these rent levels.

Values in these two tables cannot be compared across the two rental years since the properties reporting are not necessarily the same properties for both years. As a case in point, Portage La Prairie shows the average rent level for controlled units in 1989 as $426 while in Table 6, 1990 average rents are given as $386 which is shown as a 1.9% increase - a seemingly contradictory result. However, the 1990 values are quite valid although only limited number of properties had reported by the time this report was prepared. Most rent increases take place in the second half of the calendar year and, consequently, the final figures for 1990 average increases and rent levels will be reflected in next year's annual report.

The annually determined guideline amount for rent increases remained at 3% in 1990 - the same level that was set for the previous four years. It is not unexpected then that average percentage increases in 1990, for both the controlled and exempt sector, appear to be in a similar range and follow the pattern that was set in 1989.

Final 1989 data shows that the average rent levels for Manitobans who occupied rental housing in the controlled sector rose by 3.2%; the increase in the exempt sector was 4.9%. Early 1990 data indicates average increases of 3.2% in the controlled sector and 5.9% for exempt units.

TABLE 5

MANITOBA RENTAL MARKET

1989 AVERAGE RENT LEVELS AND INCREASES ON REPORTING UNITS, WINNIPEG AND RURAL MANITOBA

	CONTROLLED UNITS		EXEMPT UNITS	
LOCATION	AVERAGE RENT LEVEL	AVERAGE % INCREASE	AVERAGE RENT LEVEL	AVERAGE % INCREASE
Winnipeg	444	3.2	476	5.0
Brandon	357	2.5	383	3.5
Dauphin	310	2.6	468	1.9
Portage La Prairie	426	2.5	339	3.1
Selkirk	434	6.9	-	-
The Pas	319	3.1	472	0.8
Thompson	354	3.1	416	4.1
Northern Region	386	5.9	333	3.4
Southern Region	276	3.1	469	1.2
Rural	346	3.6	435	2.7
MANITOBA	431	3.2	469	4.9

NOTE:

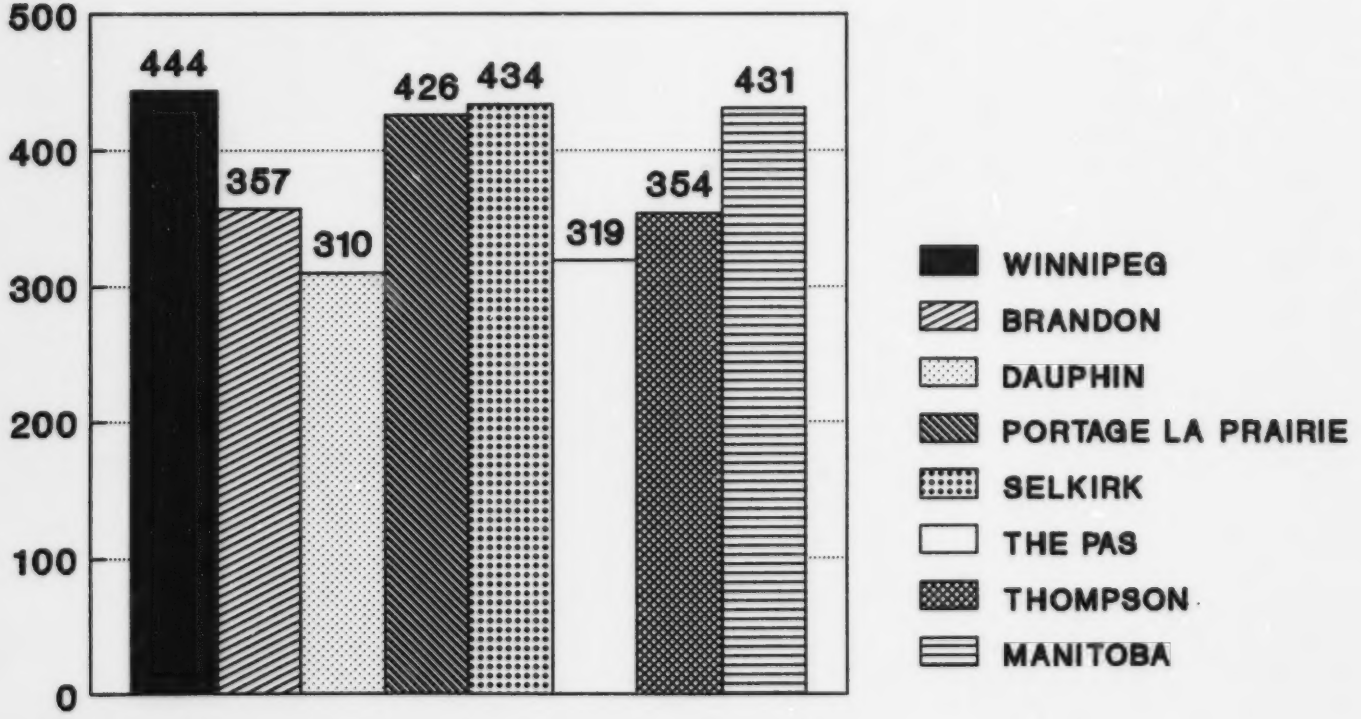
1. The average rent levels in this table are averages of the final rents after the 1989 rent increases were taken.

2. Rural figures exclude Winnipeg and Brandon.

3. Data for the Northern and Southern Regions are exclusive of the above listed communities; the boundary between the two regions runs just north of Pine Falls.

MANITOBA RENTAL MARKET

1989 AVERAGE RENT LEVELS



MONTHLY RENT IN DOLLARS

CONTROLLED UNITS

TABLE 6

MANITOBA RENTAL MARKET

1990 AVERAGE RENT LEVELS AND INCREASES ON REPORTING UNITS, WINNIPEG AND RURAL MANITOBA

	CONTROLLED UNITS		EXEMPT UNITS	
LOCATION	AVERAGE RENT LEVEL	AVERAGE % INCREASE	AVERAGE RENT LEVEL	AVERAGE % INCREASE
Winnipeg	472	3.2	431	6.2
Brandon	395	3.1	376	3.1
Dauphin	312	3.2	x	x
Portage La Prairie	386	1.9	-	-
Selkirk	489	4.8	-	-
The Pas	485	1.3	477	1.2
Thompson	381	2.6	-	-
Northern Region	242	3.3	365	2.8
Southern Region	282	5.7	x	x
Rural	344	3.5	466	1.2
MANITOBA	**450**	**3.2**	**428**	**5.9**

X - Available statistics are too limited to be included.

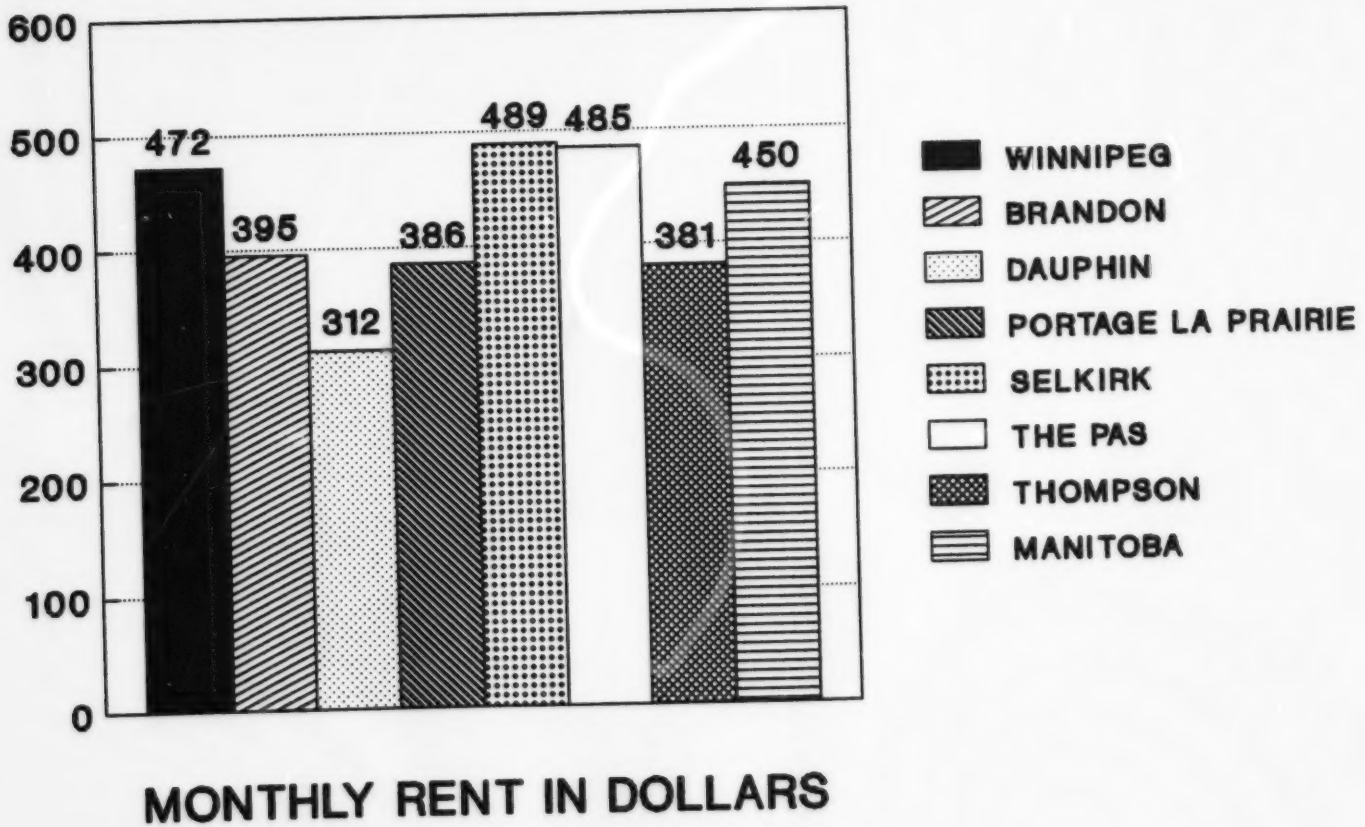
NOTE:

1. The average rent levels in this table are averages of the final rents after the 1990 rent increases were taken.

2. Rural figures exclude Winnipeg and Brandon.

3. Data for the Northern and Southern Regions are exclusive of the above listed communities; the boundary between the two regions runs just north of Pine Falls.

MANITOBA RENTAL MARKET
1990 AVERAGE RENT LEVELS



CONTROLLED UNITS

RENT LEVELS AND INCREASES

WINNIPEG

Tables 7 and 8 detail average rent levels and increases in Winnipeg for 1989 and 1990 respectively. Rent levels within a suite type generally drop as the age of the building increases. This relationship can be expected to hold true in future years, as it has in the past, since initial rents in a new building are set based on the cost of construction and, consequently, this factor is then reflected in higher rent levels for buildings of more recent construction.

On the other hand, average percentage increases follow the opposite path, i.e. older buildings, generally, show higher average percentage increases. The actual dollar increases, however, are not quite as divergent.

This pattern is partly a reflection of the Rent Regulation Process which allows increases based on actual operating cost increases for the rental property. Operating costs for rental properties remain relatively constant for a considerable length of time in the lifetime of a building. A large portion of these costs, along with their periodic increases, are beyond the control of building management and are based on economic factors not directly related to a specific building. Increases in these costs affect all rental properties to the same degree with the resulting allowable dollar rent increases being of similar magnitude regardless of rent levels. As a corollary to this, it can then be assumed that landlords' applications for rent increases above the guideline amount are primarily based on increases in operating expenses rather than low rent levels. Data in Table 7 which deal with the more complete 1989 statistics seem to support this observation to a degree. Average

rent levels for units that applied for above guideline increases and those that took guideline increases are within a similar range.

The extraordinarily large percentage increase for the two-bedroom type units in the 1978+ category is caused by a combination of a very low unit count within this category and an application for a special base rent adjustment allowed under subsection 16(4) of the legislation.

TABLE 7

WINNIPEG

1989 AVERAGE RENT LEVELS AND INCREASES BY SUITE TYPE AND YEAR OF CONSTRUCTION

SUITE TYPE	YEAR OF CONSTRUCTION	APPLICATIONS ABOVE GUIDELINE AVERAGE RENTS	APPLICATIONS ABOVE GUIDELINE AVERAGE % INCREASES	INCREASES AT OR BELOW ANNUAL GUIDELINE OF 3% AVERAGE RENTS
Bachelor	0-1945	248	6.4	261
	1946-1959	281	9.3	282
	1960-1977	345	6.3	356
	1978+	-	-	305
	TOTAL	297	6.8	314
1 Bedroom	0-1945	312	4.5	313
	1946-1959	342	7.4	344
	1960-1977	442	5.1	421
	1978+	-	-	488
	TOTAL	417	5.2	411
2 Bedroom	0-1945	400	8.8	411
	1946-1959	368	7.6	414
	1960-1977	500	5.8	503
	1978+	541	89.4	586
	TOTAL	488	6.2	506
3 Bedroom	0-1945	462	12.3	521
	1946-1959	551	19.4	509
	1960-1977	518	5.5	584
	1978+	x	x	630
	TOTAL	516	6.0	586
4 Bedroom	0-1945	526	17.9	515
	1946-1959	-	-	-
	1960-1977	557	5.2	617
	1978+	-	-	502
	TOTAL	550	7.4	570
Other	0-1945	296	10.7	362
	1946-1959	345	11.2	365
	1960-1977	331	5.8	461
	1978+	643	5.2	559
	TOTAL	328	6.9	451
TOTAL	ALL YEARS	410	5.9	448

X - Available statistics are too limited to be included.

NOTE: 1.) The average rent levels in this table are averages of the final rents after the 1989 rent increases were taken.

TABLE 8

WINNIPEG

1990 AVERAGE RENT LEVELS AND INCREASES BY SUITE TYPE AND YEAR OF CONSTRUCTION

SUITE TYPE	YEAR OF CONSTRUCTION	APPLICATIONS ABOVE GUIDELINE AVERAGE RENTS	APPLICATIONS ABOVE GUIDELINE AVERAGE % INCREASES	INCREASES AT OR BELOW ANNUAL GUIDELINE OF 3% AVERAGE RENTS
Bachelor	0-1945	272	8.9	241
	1946-1959	x	x	267
	1960-1977	365	4.7	374
	1978+	-	-	x
	TOTAL	312	7.1	323
1 Bedroom	0-1945	327	11.0	314
	1946-1959	386	10.5	331
	1960-1977	480	7.1	436
	1978+	-	-	520
	TOTAL	451	7.8	431
2 Bedroom	0-1945	435	9.3	417
	1946-1959	462	12.0	411
	1960-1977	626	6.6	516
	1978+	-	-	610
	TOTAL	594	7.3	524
3 Bedroom	0-1945	421	10.0	503
	1946-1959	-	-	532
	1960-1977	628	7.7	582
	1978+	x	x	634
	TOTAL	615	7.7	587
4 Bedroom	0-1945	x	x	450
	1946-1959	-	-	x
	1960-1977	-	-	581
	1978+	-	-	-
	TOTAL	x	x	562
Other	0-1945	393	10.3	403
	1946-1959	379	9.2	349
	1960-1977	507	5.9	471
	1978+	-	-	569
	TOTAL	473	6.9	468
TOTAL	ALL YEARS	503	7.4	470

X - Available statistics are too limited to be included.

NOTE: 1.) The average rent levels in this table are averages of the final rents after the 1990 rent increases were taken.

WINNIPEG DISTRICTS

The average 1989 rent within the controlled sector and the various districts that make up the City of Winnipeg is $444 per month. This ranges from a high of $550 in Charleswood/Tuxedo to a low of $355 in Weston. Traditionally, Charleswood/Tuxedo together with River Heights show the highest rent levels due to the high concentration of luxury apartments in these areas. There are, however, a number of other areas in the city where average rent levels are closely following suit; primarily in The Maples, Assiniboia, Fort Garry and Fort Rouge. With the exception of Fort Rouge, which has always been a preferred location due to its central location with easy access to downtown, all the other areas were, only a few years ago, part of the outer periphery of the city. The high level of rental housing construction in these areas in the late 70's and again in the mid 80's created modern and sought-after rental accommodation at above average rent levels.

The above noted relationship of rent levels of the various districts of the City has generally held true for a number of years now. Indeed, the only change from the previous year occurred when Weston replaced North Winnipeg as the area with the lowest rent level. Considering that next to River Heights, North Winnipeg lead the second highest rent increases in percentage terms, this slight upward shift in ranking is not that unexpected.

TABLE 9

WINNIPEG RENTAL MARKET

1989 AVERAGE RENT LEVELS AND INCREASES ON REPORTING UNITS

	CONTROLLED UNITS		EXEMPT UNITS	
LOCATION	AVERAGE RENT LEVEL	AVERAGE % INCREASE	AVERAGE RENT LEVEL	AVERAGE % INCREASE
Charleswood/Tuxedo	550	3.3	809	7.8
Crestwood - Assiniboia/ St. James/Westwood	478	3.3	1,014	3.8
East Kildonan/Elmwood	417	3.3	437	4.8
Fort Rouge	454	3.1	414	7.7
Fort Garry/St. Norbert	473	3.3	551	5.6
Maples/Tyndall Park/ West Kildonan	477	2.6	536	3.7
North Kildonan	434	3.0	534	2.5
North Winnipeg	364	3.8	329	7.0
River Heights	508	4.4	303	4.2
St. Vital	445	3.3	414	5.6
St. Boniface/Windsor Park/Southdale	441	3.1	416	7.2
Transcona	437	2.6	519	3.5
West Winnipeg	380	3.5	351	2.1
Winnipeg Centre	378	3.3	476	2.3
Weston	355	3.6	-	-
TOTAL WINNIPEG	**444**	**3.2**	**476**	**5.0**

NOTE: 1.) The average rent levels in this table are averages of the final rents after the 1989 rent increases were taken.

TABLE 10

WINNIPEG RENTAL MARKET

1990 AVERAGE RENT LEVELS AND INCREASES ON REPORTING UNITS

	CONTROLLED UNITS		EXEMPT UNITS	
LOCATION	AVERAGE RENT LEVEL	AVERAGE % INCREASE	AVERAGE RENT LEVEL	AVERAGE % INCREASE
Charleswood/Tuxedo	586	2.8	827	2.9
Crestwood - Assiniboia/ St. James/Westwood	496	2.6	875	14.0
East Kildonan/Elmwood	425	2.7	464	7.3
Fort Rouge	489	3.3	371	10.6
Fort Garry/St. Norbert	503	2.8	526	3.2
Maples/Tyndall Park/ West Kildonan	511	4.2	338	6.8
North Kildonan	453	2.8	578	0.5
North Winnipeg	377	3.0	355	15.7
River Heights	544	2.9	-	-
St. Vital	500	3.8	448	5.7
St. Boniface/Windsor Park/Southdale	474	2.7	434	6.7
Transcona	464	2.8	524	0.8
West Winnipeg	448	8.0	343	9.0
Winnipeg Centre	401	3.6	425	2.9
Weston	371	3.7	411	43.8
TOTAL WINNIPEG	**472**	**3.2**	**431**	**6.2**

NOTE: 1.) The average rent levels in this table are averages of the final rents after the 1990 rent increases were taken.

BRANDON

Most rental properties in Brandon accepted guideline increases of 3% or less in 1989. The limited number of applications for rent increases above the guideline resulted in recommended increases averaging 2.7%. The rent level of $171 shown in this category in Table 11 is not representative of the average cost of rental housing in this community. This relatively low number is largely due to the inclusion of "Mobile Home Park" units. The average rent level of $372 shown under the heading of 'Increases at or below guideline' is more representative of the Brandon rental housing stock. At 2.5% (Table 5) the overall average rent increase taken in Brandon in 1989 was less than the allowable guideline.

As in the past, early current year statistics (first three months of the 1990 calendar year) are too limited to permit any reasonably accurate forecast. There are, however, indications that a greater variety of rental unit types are applying for rent increases above the guideline.

TABLE 11
BRANDON

1989 AVERAGE RENT LEVELS AND INCREASES BY SUITE TYPE AND YEAR OF CONSTRUCTION

SUITE TYPE	YEAR OF CONSTRUCTION	APPLICATIONS ABOVE GUIDELINE AVERAGE RENTS	APPLICATIONS ABOVE GUIDELINE AVERAGE % INCREASES	INCREASES AT OR BELOW ANNUAL GUIDELINE OF 3% AVERAGE RENTS
Bachelor	0-1945	-	-	x
	1946-1959	-	-	-
	1960-1977	-	-	344
	1978+	x	x	373
	TOTAL	x	x	360
1 Bedroom	0-1945	363	24.9	316
	1946-1959	-	-	301
	1960-1977	x	x	395
	1978+	-	-	471
	TOTAL	361	19.5	399
2 Bedroom	0-1945	440	10.6	406
	1946-1959	-	-	308
	1960-1977	-	-	457
	1978+	-	-	541
	TOTAL	440	10.6	479
3 Bedroom	0-1945	-	-	473
	1946-1959	-	-	-
	1960-1977	-	-	345
	1978+	-	-	548
	TOTAL	-	-	528
4 Bedroom	0-1945	-	-	460
	1946-1959	-	-	-
	1960-1977	-	-	381
	1978+	-	-	x
	TOTAL	-	-	414
Other	0-1945	122	2.4	188
	1946-1959	x	x	x
	1960-1977	-	-	361
	1978+	x	x	199
	TOTAL	128	1.7	195
TOTAL	ALL YEARS	171	2.7	372

X - Available statistics are too limited to be included.

NOTE: 1.) The average rent levels in this table are averages of the final rents after the 1989 rent increases were taken.

TABLE 12

BRANDON

1990 AVERAGE RENT LEVELS AND INCREASES BY SUITE TYPE AND YEAR OF CONSTRUCTION

SUITE TYPE	YEAR OF CONSTRUCTION	APPLICATIONS ABOVE GUIDELINE AVERAGE RENTS	APPLICATIONS ABOVE GUIDELINE AVERAGE % INCREASES	INCREASES AT OR BELOW ANNUAL GUIDELINE OF 3% AVERAGE RENTS
Bachelor	0-1945	-	-	x
	1946-1959	-	-	-
	1960-1977	-	-	354
	1978+	-	-	x
	TOTAL	-	-	363
1 Bedroom	0-1945	529	3.1	350
	1946-1959	-	-	300
	1960-1977	417	1.5	399
	1978+	520	3.0	477
	TOTAL	500	2.7	390
2 Bedroom	0-1945	585	3.4	430
	1946-1959	-	-	319
	1960-1977	342	4.0	483
	1978+	578	3.5	546
	TOTAL	556	3.5	477
3 Bedroom	0-1945	-	-	386
	1946-1959	-	-	-
	1960-1977	-	-	513
	1978+	-	-	548
	TOTAL	-	-	509
4 Bedroom	0-1945	-	-	526
	1946-1959	-	-	-
	1960-1977	-	-	392
	1978+	-	-	-
	TOTAL	-	-	472
Other	0-1945	371	3.4	194
	1946-1959	-	-	285
	1960-1977	295	4.6	-
	1978+	572	3.3	487
	TOTAL	544	3.4	200
TOTAL	ALL YEARS	547	3.4	381

X - Available statistics are too limited to be included.

NOTE: 1.) The average rent levels in this table are averages of the final rents after the 1990 rent increases were taken.

RURAL AREAS

In 1989, Selkirk replaced Thompson as the community with the highest average rent increase in the controlled sector of the major 'rural' centres at 6.9%. The privately-initiated Row and Apartment Units vacancy rate for the Town of Selkirk was 0.0% in April 1989 and rose only marginally higher to 0.3% in October 1989 (C.M.H.C. April 1990 Vacancy Survey). No doubt, these restrictive vacancy rates played a part in raising average rent increases in their community.

Generally, the rental market in the rural area of the province has a much less homogeneous composition than the one found in the two major urban centres of Winnipeg and Brandon. The total rural rental market ranges from the well established and professionally managed, in communities such as Thompson, Dauphin, Portage La Prairie, The Pas and Selkirk, to a mix of single family houses and converted structures that form part of the rental market in small settlements or remote communities. A considerable segment of rural rental housing is occupied by friends, relatives, or employees of the landlord.

In these instances, rent increases rarely occur on an annual basis. It is quite common for no increases to have been taken for a number of years regardless of any increases in operating costs. Quite often it is only a tenancy turnover that causes a landlord to reassess his financial position and seek an increase above the guideline amount. The small structure (not more than three rental units) of the rental property frequently allows the landlord to apply under section 16(2) of the Act. Provisions under this section of the Act allow landlords, of structures in which there are not more than three rental units, to increase rents to market levels if the previous tenant vacated voluntarily. This avenue raises the overall average percentage increases allowed generally above those registered for Winnipeg or Brandon.

TABLE 13

RURAL

1989 AVERAGE RENT LEVELS AND INCREASES BY SUITE TYPE AND YEAR OF CONSTRUCTION

SUITE TYPE	YEAR OF CONSTRUCTION	APPLICATIONS ABOVE GUIDELINE AVERAGE RENTS	APPLICATIONS ABOVE GUIDELINE AVERAGE % INCREASES	INCREASES AT OR BELOW ANNUAL GUIDELINE OF 3% AVERAGE RENTS
Bachelor	0-1945	355	4.6	306
	1946-1959	-	-	220
	1960-1977	303	9.0	296
	1978+	-	-	-
	TOTAL	334	6.2	298
1 Bedroom	0-1945	408	4.2	359
	1946-1959	-	-	293
	1960-1977	370	8.6	362
	1978+	340	5.9	410
	TOTAL	405	4.5	365
2 Bedroom	0-1945	463	5.9	394
	1946-1959	-	-	293
	1960-1977	363	9.2	422
	1978+	395	5.7	460
	TOTAL	446	6.2	423
3 Bedroom	0-1945	322	13.1	375
	1946-1959	-	-	153
	1960-1977	299	5.1	337
	1978+	-	-	362
	TOTAL	308	8.4	345
4 Bedroom	0-1945	-	-	442
	1946-1959	-	-	126
	1960-1977	-	-	418
	1978+	-	-	-
	TOTAL	-	-	402
Other	0-1945	243	7.6	220
	1946-1959	x	x	-
	1960-1977	372	6.5	277
	1978+	390	6.8	338
	TOTAL	275	7.3	239
TOTAL	ALL YEARS	398	5.4	340

X - Available statistics are too limited to be included.

NOTE: 1.) The average rent levels in this table are averages of the final rents after the 1989 rent increases were taken.

TABLE 14
RURAL
1990 AVERAGE RENT LEVELS AND INCREASES BY SUITE TYPE AND YEAR OF CONSTRUCTION

SUITE TYPE	YEAR OF CONSTRUCTION	APPLICATIONS ABOVE GUIDELINE AVERAGE RENTS	APPLICATIONS ABOVE GUIDELINE AVERAGE % INCREASES	INCREASES AT OR BELOW ANNUAL GUIDELINE OF 3% AVERAGE RENTS
Bachelor	0-1945	-	-	287
	1946-1959	-	-	227
	1960-1977	-	-	304
	1978+	-	-	-
	TOTAL	-	-	296
1 Bedroom	0-1945	-	-	348
	1946-1959	-	-	313
	1960-1977	x	x	386
	1978+	-	-	398
	TOTAL	x	x	377
2 Bedroom	0-1945	353	15.3	420
	1946-1959	x	x	351
	1960-1977	x	x	417
	1978+	-	-	491
	TOTAL	349	16.7	422
3 Bedroom	0-1945	450	24.8	301
	1946-1959	-	-	127
	1960-1977	-	-	195
	1978+	-	-	266
	TOTAL	450	24.8	228
4 Bedroom	0-1945	-	-	x
	1946-1959	-	-	127
	1960-1977	-	-	146
	1978+	-	-	-
	TOTAL	-	-	172
Other	0-1945	340	14.8	199
	1946-1959	-	-	-
	1960-1977	-	-	334
	1978+	x	x	309
	TOTAL	357	13.9	228
TOTAL	ALL YEARS	363	16.3	344

X - Available statistics are too limited to be included.
NOTE: 1.) The average rent levels in this table are averages of the final rents after the 1990 rent increases were taken.

SYNOPSIS

Increases in rent within the controlled sector averaged 3.2% in 1989 in Manitoba with an average rent level of $431. The corresponding figures for Winnipeg are 3.2% and $444 (Table 5). Average rent increases for the exempt sector in Manitoba were considerably higher at 4.9% and almost twice the 1988 average of 2.5%. This is a reversal from the 1987 and 1988 calender years where regulated rent increases were higher than those in the exempt sector. The results of these two years were developing in a direction opposite to the expected and may have been influenced by a rising vacancy rate at that time.

Rental units for all of Manitoba where landlords applied for amounts above the guideline of 3% in 1989 were allowed an average increase of 5.9% to bring the overall rent level to $403 (Table 15). Figures for Winnipeg are 5.9% and $410 for the average rent where landlords were granted increases above the guideline.

The average dollar increase on units where the landlord had applied for increases above the guideline came to $22 versus an average increase of $13 where increases remained within the guideline.

TABLE 15

MANITOBA

1989 AVERAGE RENT LEVELS AND INCREASES BY SUITE TYPE AND YEAR OF CONSTRUCTION

SUITE TYPE	YEAR OF CONSTRUCTION	APPLICATIONS ABOVE GUIDELINE AVERAGE RENTS	APPLICATIONS ABOVE GUIDELINE AVERAGE % INCREASES	INCREASES AT OR BELOW ANNUAL GUIDELINE OF 3% AVERAGE RENTS
Bachelor	0-1945	254	6.3	264
	1946-1959	281	9.3	282
	1960-1977	344	6.4	353
	1978+	x	x	319
	TOTAL	299	6.7	315
1 Bedroom	0-1945	353	4.5	319
	1946-1959	342	7.4	343
	1960-1977	442	5.1	417
	1978+	340	5.9	484
	TOTAL	416	5.1	408
2 Bedroom	0-1945	433	7.4	407
	1946-1959	368	7.6	410
	1960-1977	498	5.9	494
	1978+	424	19.2	568
	TOTAL	484	6.2	496
3 Bedroom	0-1945	412	12.5	481
	1946-1959	551	19.4	404
	1960-1977	508	5.5	539
	1978+	x	x	601
	TOTAL	502	6.1	544
4 Bedroom	0-1945	526	17.9	494
	1946-1959	-	-	126
	1960-1977	557	5.2	488
	1978+	-	-	473
	TOTAL	550	7.4	477
Other	0-1945	228	7.6	299
	1946-1959	346	11.3	365
	1960-1977	332	5.8	446
	1978+	542	5.4	511
	TOTAL	308	6.5	409
TOTAL	ALL YEARS	403	5.9	436

X - Available statistics are too limited to be included.

NOTE: 1.) The average rent levels in this table are averages of the final rents after the 1989 rent increases were taken.

TABLE 16
MANITOBA

1990 AVERAGE RENT LEVELS AND INCREASES BY SUITE TYPE AND YEAR OF CONSTRUCTION

SUITE TYPE	YEAR OF CONSTRUCTION	APPLICATIONS ABOVE GUIDELINE AVERAGE RENTS	APPLICATIONS ABOVE GUIDELINE AVERAGE % INCREASES	INCREASES AT OR BELOW ANNUAL GUIDELINE OF 3% AVERAGE RENTS
Bachelor	0-1945	272	8.9	248
	1946-1959	x	x	266
	1960-1977	365	4.7	366
	1978+	-	-	409
	TOTAL	312	7.1	322
1 Bedroom	0-1945	363	8.9	325
	1946-1959	386	10.5	329
	1960-1977	479	7.0	429
	1978+	520	3.0	513
	TOTAL	452	7.6	423
2 Bedroom	0-1945	511	5.8	420
	1946-1959	459	12.6	400
	1960-1977	613	6.5	499
	1978+	578	3.5	600
	TOTAL	578	6.5	505
3 Bedroom	0-1945	433	15.7	452
	1946-1959	-	-	329
	1960-1977	628	7.7	521
	1978+	x	x	596
	TOTAL	608	8.1	529
4 Bedroom	0-1945	x	x	471
	1946-1959	-	-	226
	1960-1977	-	-	513
	1978+	-	-	-
	TOTAL	x	x	484
Other	0-1945	383	10.4	288
	1946-1959	379	9.2	347
	1960-1977	501	5.8	462
	1978+	568	3.5	562
	TOTAL	485	6.1	406
TOTAL	ALL YEARS	507	6.9	446

X - Available statistics are too limited to be included.

NOTE: 1.) The average rent levels in this table are averages of the final rents after the 1990 rent increases were taken.

RENT APPEALS BRANCH

RENT APPEALS BRANCH

Although the appeal function is an integral part of the Rent Regulation Program and is defined in the Residential Rent Regulation Act, the execution of this function rests within the Rent Appeals Branch and is totally independent of the Landlord and Tenant Affairs Branch.

The primary responsibilities of the Appeals Branch are:

- hearing and adjudicating appeals by landlords or tenants relating to rent increase recommendations issued by the Rent Regulation Bureau;
- considering applications for rent rollback as submitted by the Rent Regulation Bureau; and
- processing applications for the rehabilitation of buildings that may then qualify for temporary exemption from rent increase limitations under the Residential Rent Regulation Act.

All adjudications and orders under the appeal process are made by panels consisting of one or more members. Appeal panelists are private citizens from all walks of life appointed by the provincial government.

ACTIVITY SUMMARY

The appeal function is the last level of activity in the Rent Regulation Program. The peak work load in the Appeals Branch follows about two to three months after the peak work period in the Rent Regulation Bureau. Table 1A reflects this shift to some degree by recording the bulk of 1989 appeal activity in the latter part of the year i.e. 1989/90 fiscal year column.

Based on decisions issued, almost 2/3 of appealed recommendations, for rent increases effective in the 1989 calendar year, were varied by appeal panels. About one in three appealed recommendations experienced no change - 459 of 1,372 were upheld and 8 were either withdrawn by the appellant or rejected by the Appeals Branch. Most rejections are caused by late appeals.

The rehabilitation provisions provide for a two stage process:

1. Landlord applies and obtains approval to proceed with project.

2. After successful completion of project, landlord then applies for a period of exemption from rent increase limitations.

The process is illustrated in Table 1A where 28 applications for rehabilitation were processed during the 1989/90 fiscal year and received approval to commence rehabilitation work.

Prior to the end of the 1989/90 fiscal year, the work on the 28 units was completed and, upon subsequent application, these units received exemptions for varying periods of time. There were no

rejections or pending applications for exemptions. Approved pro jects do not always complete the planned rehabilitation work. Some projects are modified to a degree where they no longer meet the criteria for exemption and have to be rejected; other projects are simply abandoned and do not apply for exemption.

Table 2A deals with appeals relating to rent increases that take effect early in the 1990 calendar year. The bulk of 1990 appeals will be processed during the 1990/91 fiscal year.

TABLE 1A

CALENDAR YEAR 1989

STATISTICAL SUMMARY FOR MANITOBA

APPEALS	1988/89 FISCAL YEAR	1989/90 FISCAL YEAR
Landlord Initiated	127	1,153
Tenant Initiated	64	274
Dual Initiated	1	27
Carried Forward	-	120
TOTAL	192	1,574
DECISIONS		
Recommendation Upheld	33	459
Recommendation Varied	37	905
Appeals Withdrawn/Rejected	2	8
APPLICATIONS FOR REHABILITATION		
Approved	-	28
Rejected	-	-
TOTAL	-	28
APPLICATIONS FOR EXEMPTION		
Approved	-	28
Rejected	-	-
Pending	-	-

DISPOSITION OF 1989 APPLICATIONS
FISCAL YEAR ENDED MARCH 31/90

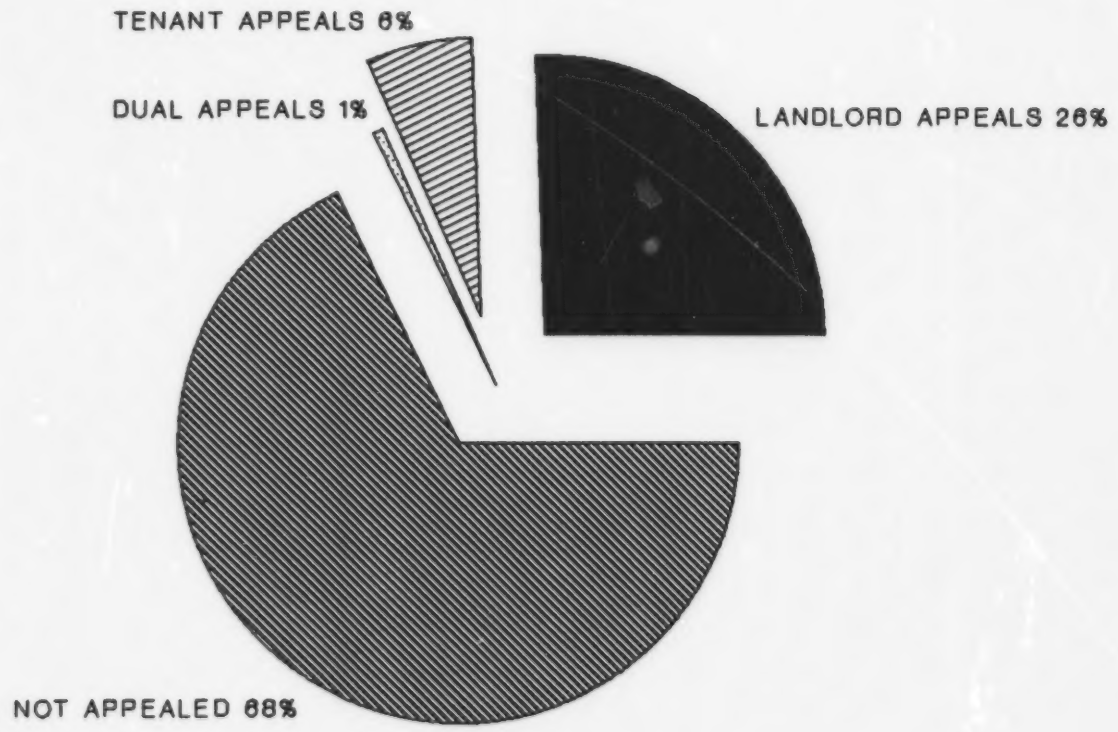


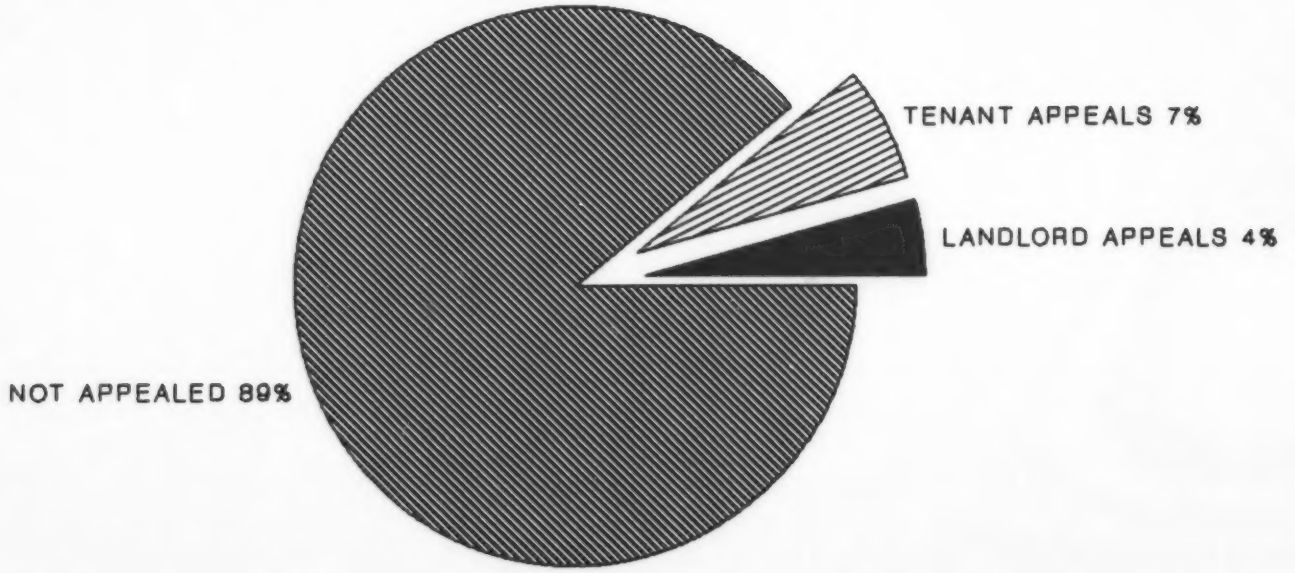
TABLE 2A

CALENDAR YEAR 1990

STATISTICAL SUMMARY FOR MANITOBA

APPEALS	1988/89 FISCAL YEAR	1989/90 FISCAL YEAR
Landlord Initiated	-	38
Tenant Initiated	-	57
Dual Initiated	-	-
Carried Forward	-	-
TOTAL	-	95
DECISIONS		
Recommendation Upheld	-	27
Recommendation Varied	-	31
Appeals Withdrawn/Rejected	-	3
APPLICATIONS FOR REHABILITATION		
Approved	-	-
Rejected	-	-
TOTAL	-	-
APPLICATIONS FOR EXEMPTION		
Approved	-	-
Rejected	-	-
Pending	-	-

DISPOSITION OF 1990 APPLICATIONS
FISCAL YEAR ENDED MARCH 31/90



APPEALS

The Rent Regulation Bureau's recommendations for rent increases may be appealed by landlords or tenants. Although landlord appeals have declined considerably during the 1989/90 fiscal year: 1,153 versus 1,730 in the previous year, the ratio of tenant to landlord appeals has almost doubled from 1 in 7 in 1988/89 to nearly 1 in 4 in 1989/90. Dual appeals, where both parties - landlord and tenant - appealed the Rent Regulation Bureau's recommended rent increase have also declined in proportion (Table 1A). The Winnipeg vacancy rate reached 6.5% in October 1989 - the highest rate in more than two decades. The rate of landlord appeals declined in 1989 from 37.4% to 25.5% while the rate of tenant appeals showed a slight increase from 5.7% to 6.1%.

Tables 3A and 3B show the average 1989 rent levels and increases for units where the Bureau's recommendations were subsequently appealed. These tables reflect all appeals regardless of source.

Tables 4B and 5B show the average (Manitoba) rent on 'tenant appealed units' as $454 after the Bureau allowed a 7.4% increase. The average rent level in this category is $51 higher than the overall average rent of $403 for all units where landlords applied for rent increases above the guideline. Similarly, the allowed percentage increase is 1.5% higher than the overall average of 5.9%.

The considerably higher rent level and increase allowed on 'tenant appealed units' may well have contributed to the doubling of the tenant/landlord appeal ratio.

The somewhat surprising result of even higher rent levels and a higher percentage increase after the 'Appeal Panel Decision' had been issued is caused mainly by the inclusion of dual appeals.

Tables 4A and 5A reflect average rent levels and percentage increases on 'landlord appealed units'. Rent levels at $377 and allowed increases of 2.9% are low when compared to the averages of $403 and 5.9% for all units where an application for above guideline increase was made. Although, these low values might appear to explain why the Bureau's recommendations were appealed, low rent levels alone are generally not identified as a major cause for landlord appeals. Landlord appeals are primarily triggered by recommended rent increases that fall considerably short of the amount sought by the landlord.

TABLE 3A

1989 AVERAGE RENT LEVELS ON APPEALED UNITS, WINNIPEG AND RURAL MANITOBA

LOCATION	PRIOR TO RENT INCREASE	AS REQUESTED BY LANDLORD	AFTER RECOMMENDATION BY BUREAU	AFTER APPEAL PANEL DECISION
Winnipeg	385	417	402	409
Brandon	x	x	x	x
Rural	401	426	416	418
Manitoba	379	409	394	399

TABLE 3B

1989 AVERAGE PERCENTAGE INCREASES ON APPEALED UNITS, WINNIPEG AND RURAL MANITOBA

LOCATION	AS REQUESTED BY LANDLORD	AFTER RECOMMENDATION BY BUREAU	AFTER APPEAL PANEL DECISION
Winnipeg	8.3	4.5	6.2
Brandon	x	x	x
Rural	6.4	3.8	4.3
Manitoba	7.9	4.0	5.5

X - Available statistics are too limited to be included.

TABLE 4A

1989 AVERAGE RENT LEVELS ON LANDLORD APPEALED UNITS, WINNIPEG AND RURAL MANITOBA

LOCATION	PRIOR TO RENT INCREASE	AS REQUESTED BY LANDLORD	AFTER RECOMMENDATION BY BUREAU	AFTER APPEAL PANEL DECISION
Winnipeg	371	402	382	391
Brandon	x	x	x	x
Rural	402	427	417	419
Manitoba	367	396	377	384

TABLE 4B

1989 AVERAGE RENT LEVELS ON TENANT APPEALED UNITS, WINNIPEG AND RURAL MANITOBA

LOCATION	PRIOR TO RENT INCREASE	AS REQUESTED BY LANDLORD	AFTER RECOMMENDATION BY BUREAU	AFTER APPEAL PANEL DECISION
Winnipeg	424	459	455	457
Brandon	x	x	x	x
Rural	334	364	364	364
Manitoba	423	458	454	456

X - Available statistics are too limited to be included.

TABLE 5A

1989 AVERAGE PERCENTAGE INCREASES ON LANDLORD APPEALED UNITS, WINNIPEG AND RURAL MANITOBA

LOCATION	AS REQUESTED BY LANDLORD	AFTER RECOMMENDATION BY BUREAU	AFTER APPEAL PANEL DECISION
Winnipeg	8.5	3.1	5.6
Brandon	x	x	x
Rural	6.3	3.7	4.2
Manitoba	8.0	2.9	4.8

TABLE 5B

1989 AVERAGE PERCENTAGE INCREASES ON TENANT APPEALED UNITS, WINNIPEG AND RURAL MANITOBA

LOCATION	AS REQUESTED BY LANDLORD	AFTER RECOMMENDATION BY BUREAU	AFTER APPEAL PANEL DECISION
Winnipeg	8.4	7.5	7.9
Brandon	x	x	x
Rural	9.1	9.1	9.1
Manitoba	8.3	7.4	7.9

X - Available statistics are too limited to be included.

TABLE 6A

1990 AVERAGE RENT LEVELS ON APPEALED UNITS, WINNIPEG AND RURAL MANITOBA

LOCATION	PRIOR TO RENT INCREASE	AS REQUESTED BY LANDLORD	AFTER RECOMMENDATION BY BUREAU	AFTER APPEAL PANEL DECISION
Winnipeg	369	404	394	393
Brandon	-	-	-	-
Rural	-	-	-	-
Manitoba	369	404	394	393

TABLE 6B

1990 AVERAGE PERCENTAGE INCREASES ON APPEALED UNITS, WINNIPEG AND RURAL MANITOBA

LOCATION	AS REQUESTED BY LANDLORD	AFTER RECOMMENDATION BY BUREAU	AFTER APPEAL PANEL DECISION
Winnipeg	9.5	6.6	6.4
Brandon	-	-	-
Rural	-	-	-
Manitoba	9.5	6.6	6.4

TABLE 7A

1990 AVERAGE RENT LEVELS ON LANDLORD APPEALED UNITS, WINNIPEG AND RURAL MANITOBA

LOCATION	PRIOR TO RENT INCREASE	AS REQUESTED BY LANDLORD	AFTER RECOMMENDATION BY BUREAU	AFTER APPEAL PANEL DECISION
Winnipeg	356	392	372	370
Brandon	-	-	-	-
Rural	-	-	-	-
Manitoba	356	392	372	370

TABLE 7B

1990 AVERAGE RENT LEVELS ON TENANT APPEALED UNITS, WINNIPEG AND RURAL MANITOBA

LOCATION	PRIOR TO RENT INCREASE	AS REQUESTED BY LANDLORD	AFTER RECOMMENDATION BY BUREAU	AFTER APPEAL PANEL DECISION
Winnipeg	378	413	409	409
Brandon	-	-	-	-
Rural	-	-	-	-
Manitoba	378	413	409	409

TABLE 8A

1990 AVERAGE PERCENTAGE INCREASES ON LANDLORD APPEALED UNITS, WINNIPEG AND RURAL MANITOBA

LOCATION	AS REQUESTED BY LANDLORD	AFTER RECOMMENDATION BY BUREAU	AFTER APPEAL PANEL DECISION
Winnipeg	10.0	4.4	3.8
Brandon	-	-	-
Rural	-	-	-
Manitoba	10.0	4.4	3.8

TABLE 8B

1990 AVERAGE PERCENTAGE INCREASES ON TENANT APPEALED UNITS, WINNIPEG AND RURAL MANITOBA

LOCATION	AS REQUESTED BY LANDLORD	AFTER RECOMMENDATION BY BUREAU	AFTER APPEAL PANEL DECISION
Winnipeg	9.2	8.1	8.2
Brandon	-	-	-
Rural	-	-	-
Manitoba	9.2	8.1	8.2